

Restoring Trust in Public Servants Act

Congressman Andy Kim (NJ-03)

Congressman Kim applauds recent proposals to prevent insider trading by Members of Congress, but he believes the problem goes much further. Congressman Kim is proposing one single standard across all of government – including Congress, the President, Vice President, and the Supreme Court – to address the broader issue of conflicts of interest by prohibiting ownership of individual stocks altogether. Under this proposal, government officials would not be allowed to continue to own individual stocks by putting them in a blind trust. Congressman Kim’s proposal also goes beyond stock ownership to prohibit Members of Congress from having outside employment or income, sitting on corporate boards, or lobbying for the rest of their lifetime after leaving Congress.

When someone holds a job that is enshrined in the Constitution of the United States– or works for someone whose job is in the Constitution– that is a sacred job that entails a high level of public trust. Public servants owe the American People they serve their undivided attention and loyalty. They should be focused on doing the job they signed up to do, not thinking about their investments or how to profit from their position.

Congressman Kim is proposing a common-sense policy that takes ideas that are working and expands them across the entire federal government. It starts from a presumption that any individual investments or outside income are a conflict of interest– regardless of what committees you serve on or what policy issues you work on. Rather than relying on case-by-case determinations, or requiring evidence of purposeful wrongdoing, the **Restoring Trust in Public Servants Act** makes it simple: public servants’ job is to serve the public.

The **Restoring Trust in Public Servants Act** includes the following provisions:

Prohibit Stock Ownership: One Single Standard Across All of the Federal Government

- Covers all three branches, including:
 - Legislative Branch: Members of Congress, spouses, dependent children, and all congressional staff
 - Executive Branch: President, Vice President, all political appointees, and senior career employees required to file under the STOCK Act
 - Judicial Branch: Federal judges
- Prohibits ownership of individual stocks, securities, commodities, futures, and derivatives.
- Diversified mutual funds and ESG funds (mutual funds that use environmental, social, and governance factors) would be allowed.

- Requires complete divestment of covered investments– transferring to a qualified blind trust would not be allowed.
- Divestment required within 90 days of enactment, or within 90 days of assuming office for newly-covered individuals.
- For the President, Vice President, Members of Congress and their spouses and dependents, Senate-confirmed political appointees, and federal judges, the penalty would be equal to the covered individual's entire federal salary, for as long as the violation continued. For other covered individuals, the penalty would be the same as a STOCK Act reporting violation.
- Requires the relevant Ethics Committee or Ethics Office to publish a list of names of individuals found in violation, including their employing office.
- Expands the existing Certificate of Divestiture program to allow all covered individuals to postpone capital gains when they comply with the new divestment requirements.

Prohibit Outside Employment and Income for Members of Congress While in Office

- When someone makes the choice to run for Congress, they are signing up for a full-time job: serving their constituents.

Prohibit Members of Congress from Sitting on Corporate Boards While in Office

- Senate Rule 37 already prohibits Senators from sitting on the board of directors of a for-profit company, but House Members are currently allowed to sit on boards as long as they don't receive compensation.
- This provision would apply the same prohibition across the board, even if the position is unpaid.

Lifetime Lobbying Ban for Former Members of Congress

- Prohibits former Members of Congress from lobbying or "shadow lobbying"-- helping behind-the-scenes without registering as a lobbyist or making the formal lobbying contacts themselves.
- These activities include preparation and planning, research and background work that is intended for use in lobbying contacts, and coordination with the lobbying activities of others.
- Consistent with existing restrictions for former Department of Defense employees and President Biden's Executive Order 13989, Ethics Commitments by Executive Branch Personnel.